

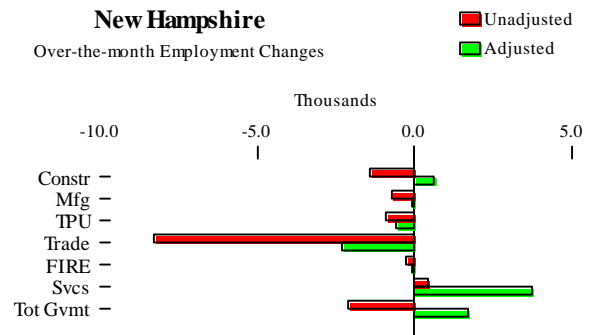
DETAILED MONTHLY ANALYSIS OF INDUSTRY EMPLOYMENT DATA New Hampshire, January 2001

B G McKay

Seasonally Adjusted. January's seasonally adjusted estimates showed that New Hampshire's employment level grew by 2,900 jobs in the first month of 2001. The services industrial division was the major contributor as its ranks grew by 3,700 jobs. Government employment was up by 1,700 jobs for the month, and the construction industrial division rounded out the expansion by putting another 600 workers on its rolls.

Even with the seasonal components removed, the trade industrial division dropped 2,300 jobs in January. The transportation and public utilities industrial division made a noticeable contribution to the downward movement as it trimmed 600 jobs from its rolls.

Other contributors to the downward movement were the manufacturing and finance, insurance, and real estate industrial divisions. Each endured a 100-job slim down during January.



Unadjusted. Without seasonal components removed, the New Hampshire unadjusted employment trend line took a sharper decline in January 2001, as there were 13,300 jobs fewer in January. Once again, the trade industrial division was the largest player in that movement as it pared 8,300 jobs from its payroll. January's unadjusted estimates also showed that overall government employment was down by 2,100 jobs. The construction industrial division weighed in on January's downward trend in a significant way with a 1,400-job reduction.

Three other industrial divisions advanced the January downturn of the trend line. The transportation and public utilities industrial division dropped 900 jobs, manufacturing industrial division employment was down by 700 jobs, and the finance, insurance, and real estate completed the picture with 300 fewer jobs.

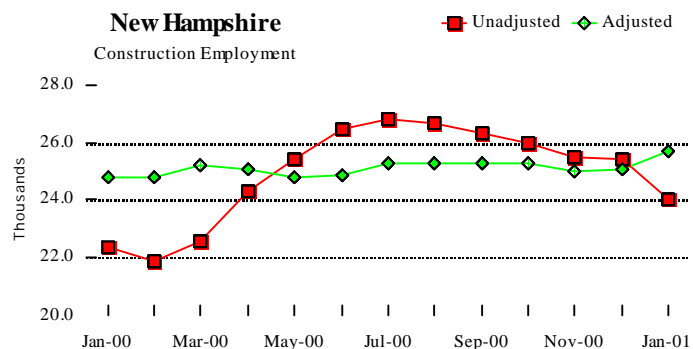
The services industrial division provided a slight respite from the prevailing bleak view of the January employment trend. Services employment grew by 400 jobs.

CONSTRUCTION

Seasonally Adjusted. Once seasonal elements were removed from January numbers, estimates for the construction industrial division showed a 600-job expansion.

Unadjusted. Heavy construction (SIC 16) and special trades contractors (SIC 17) each contributed 600 jobs to this industrial division's 1,400-job drop.

Of the three industries in this division, general building contractors (SIC 15) incurred the smallest drop in January. It suffered a 200-job decline.



MANUFACTURING

Seasonally Adjusted. This data series indicated that the manufacturing industrial division incurred a 100-job drop to start the new millennium. The nondurable goods manufacturing industrial subdivision overall was down 100 jobs in January.

At the durable goods manufacturing industrial subdivision level, the employment trend line was unchanged from the December level. However, from the published industries, we saw that fabricated metal products (SIC 34) cut back on its workforce by 200 jobs. Electronic & other electric equipment (SIC 36) pruned 100 jobs from its rolls.

Industrial machinery and equipment (SIC 35) was the only industry in this series to post a positive number in January. Employment was up here by 100 jobs.

Unadjusted. This data series had the manufacturing industrial division employment declining by 700 jobs in January. The durable goods manufacturing subdivision dropped 300 jobs, while the nondurable manufacturing subdivision accounted for the remaining 400-job loss.

In durable goods, the primary metal industries (SIC 33) went against the seasonal flow and added 100 jobs to its ranks. There were three other durable goods industries to make changes in their January employment level. Each cut 100 jobs. Those industries were lumber and wood products (SIC 24), fabricated metal products (SIC 34), and electronic & other electric equipment (SIC 36).

Paper and allied (SIC 26) lost 200 jobs in January, and printing and publishing (SIC 27) employment levels dipped by 100 jobs. This would seem to account for the movement in the nondurable goods subdivision, but it should be pointed out that not all industries in this subdivision meet publishing criteria.

TRANSPORTATION AND PUBLIC UTILITIES

Seasonally Adjusted. This series' 600-job January drop can be traced to elements in the transportation industries.

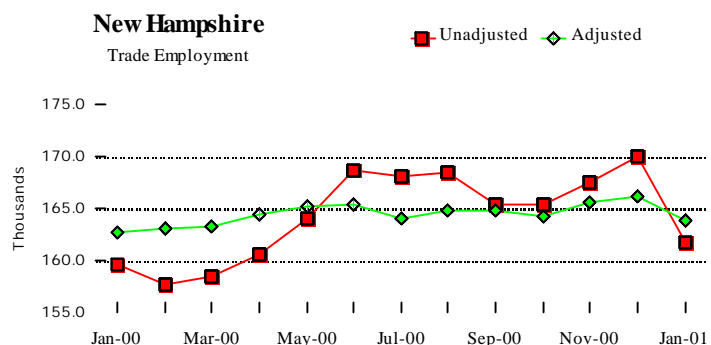
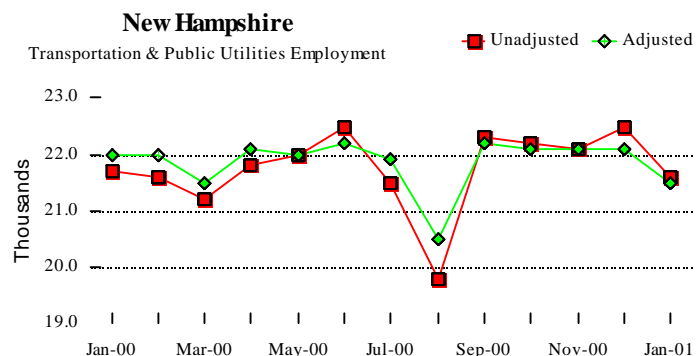
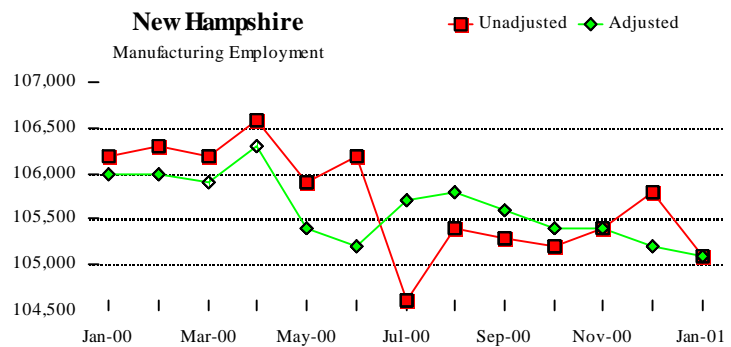
Unadjusted. Transportation was the major contributor to the January 900-job reduction in the unadjusted estimates. The estimates captured the movement of those transportation elements whose employment levels peak in the last quarter of a year, and drop off considerably at the start of a new year.

TRADE

Seasonally Adjusted. As mentioned previously, the trade industrial division employment level fell by 2,300 jobs in January. Further, it would be expected at this time of year that retail trade would absorb the bulk of the reduction, which it did when it dropped 1,600 jobs. Wholesale trade employment declined by 700 jobs.

Of the published seasonally adjusted estimates, eating and drinking establishments took an 800-job hit.

Unadjusted. This data series showed a significantly larger reduction in employment levels when compared to the adjusted estimates



for January. The trade industrial division had 8,300 fewer jobs in January 2001. Like the adjusted counterpart, retail trade employment estimates incurred the largest portion of the lost jobs. The retail trade subdivision employment levels plunged by 7,600 jobs. Also, like its adjusted counterpart, wholesale trade employment level dipped by 700 jobs.

Traditionally, general merchandise stores (SIC 53) make substantial cutbacks in their workforce after the holiday season. That is true this year as this industry trimmed 1,800 jobs from its rolls.

Eating and drinking establishments (SIC 58) took even more drastic action cutting its labor force by 2,000 jobs.

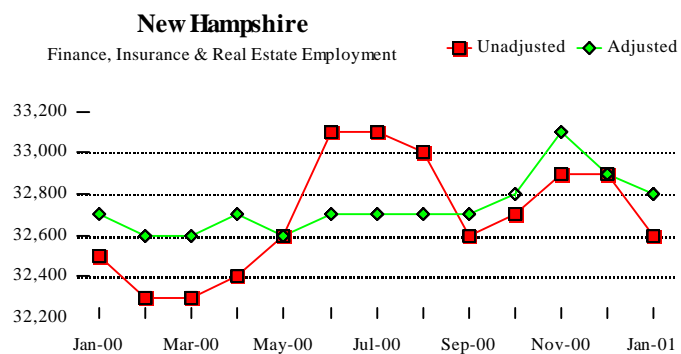
The remaining publishable industries also showed seasonal reductions in their workforce. Food stores (SIC 54) led the way by shaving 300 jobs, home furnishings, furniture, and equipment stores (SIC 57) had 200 fewer workers in January, and automotive dealers and service stations (SIC 55) completed the pictures with a 100-job reduction.

FINANCE, INSURANCE, AND REAL ESTATE

Seasonally Adjusted. Without seasonal components, January is a relatively quite month for this industrial division. It dropped 100 jobs as a whole.

Unadjusted. The insurance industries (SICs 63 & 64) accounted for 100 of the 300 jobs lost by this industrial division in January.

As is suggested by the adjacent chart, there are seasonal elements at work in this industrial division. The sample indicates that these elements can be found in the real estate area.

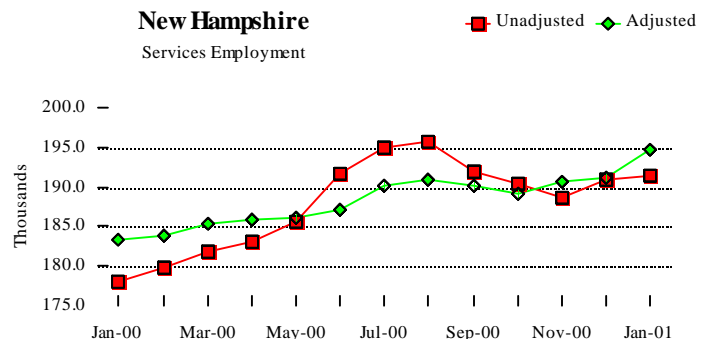


SERVICES

Seasonally Adjusted. The services industrial division benefited significantly from the reported 48 inches of snowfall in the lodging and recreation areas of the state in January. This was the primary driving force behind the 3,700-job increase this industrial division experienced in January. Business services (SIC 73) accounted for 1,700 jobs in the overall expansion.

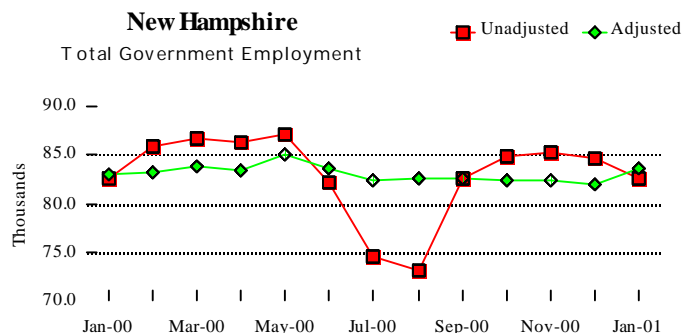
Unadjusted. The unadjusted estimates showed only a 400-job growth in January.

We arrived at this number when hotels and other lodging places (SIC 70) added 1,000 jobs to their payrolls. Health services (SIC 80) sliced 500 jobs, business services (SIC 73) trimmed 300 jobs, to mitigate the seasonal increase.



GOVERNMENT

Seasonally Adjusted. This data series showed that all echelons of government experienced a moment of growth. Local government led the pack by adding 1,000 jobs to its ranks. State government employment grew by 600 jobs, and the federal government added 100 jobs in January.



Unadjusted. The unadjusted employment estimates reflected the aftermath of the holiday season with a 2,100-job drop.

The federal government 400-job decline was the result of the postal service release of seasonal hires.

The state government drop of 1,400 jobs and local governments 300 jobs were largely the results of a temporary decline in the educational sector.